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EIC-M-76
11 September 1958

2. Mr. Leo Goodman, Department of State, who will be replacing Mr. George A. Pope on the Requirements Subcommittee, was also introduced.

APPROVAL OF MINUTES:

3. The Minutes of the EIC meeting on 31 July (EIC-M-74) were approved with minor revisions. Minutes of the EIC meeting on 12 August (EIC-M-75) were also approved. The Acting Chairman noted that the IAC, in its Annual Report to the NSC on the Status of Foreign Intelligence, had included only a brief statement in the conclusions on economic intelligence and that the IAC had decided to send only the conclusions of the draft status report to the NSC. Copies of the paragraph on economic intelligence as forwarded by the IAC were distributed to EIC representatives.

EIC-S-30, "SURVEY OF PROFESSIONAL PERSONNEL ENGAGED IN ECONOMIC INTELLIGENCE AND RELATED ECONOMIC RESEARCH ON SINO-SOVIET BLOC AND NON-BLOC AREAS"

4. The Army representative reported that he had checked on the Army contract personnel included in EIC-S-30, about which he had not been sure (see paragraph 7, EIC-M-74, Revised), and found that these contract figures represent long standing contracts, renewed regularly, for the production of intelligence the greater part of which is in support of the Technical Services military intelligence responsibilities.

PROPOSED MERGER OF EDIC WITH EIC (EIC-D-317, 7 August 1958)

5. Discussion: The proposed merger of the Economic Defense Intelligence Committee (EDIC) with the EIC was discussed in some detail. EDIC had already considered the matter and at its meeting on 3 September 1958 ratified its Final Report to the IAC and agreed to request the IAC to merge the economic intelligence functions of EDIC with those of the EIC as a Subcommittee on Economic Defense. The Economic Defense Advisory Committee (EDAC) had also been consulted and Admiral Delaney advised that the proposed change would be satisfactory to that agency, with the understanding that the new EIC Subcommittee would "continue to serve its necessary function in economic defense matters." The Army representative restated their comments with respect to the merger, previously made by their EDIC representative, raising the question as to whether or not,

- 2 -

~~S-E-C-R-E-T~~

~~SECRET~~

ETC-M-76
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under the EIC with an additional layer of control in the review process of intelligence production, there would be basic changes in the recent form of EDIC production assignment and in the timeliness of reporting which would adversely affect the character, quality, and timeliness of the intelligence support presently provided by EDIC. The Army representative requested that this be made a matter of record, and suggested that the EIC Subcommittee on Economic Defense, if established, be given enough autonomy within the EIC so that it might report directly to its requestors.

6. Action: The assurances of the Chairman of the EIC, as set out in his memorandum to EDIC dated 22 August 1958, were agreed to have met these objections and to provide an appropriate basis for the establishment of Terms of Reference for an Economic Defense Subcommittee within the EIC, if the merger is approved. The EIC endorsed the recommendation to incorporate the Economic Defense Intelligence Committee as a Subcommittee of the Economic Intelligence Committee. It was further agreed that the Executive Secretary of the IAC be requested to include in his memorandum to IAC members transmitting the EDIC Final Report, a statement to the effect that the EIC had considered the proposed merger at its meeting on 11 September and concurs in the EDIC recommendation.

REVIEW OF ACTIVITIES OF SUBCOMMITTEE ON REQUIREMENTS AND FACILITIES FOR COLLATION

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7. Discussion: The Executive Secretary of the Subcommittee on Requirements and Facilities for Collation, [redacted] commented briefly on the activities of the Subcommittee. He noted that, while the Subcommittee as a whole has been relatively inactive, two programs developed by the Subcommittee have been quite active -- [redacted] which now has 214 briefs on the USSR and 21 briefs on China, and the Economic Reporting Guide Program, backstopping the collection of economic intelligence by the State Department. The present SC Chairman is being reassigned by his department, and a new Chairman will, no doubt, wish to look at the SC operations and make recommendations for its future program.

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- 3 -

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